

THE WILLIAMSON ACT

1990-91 Status Report

California Department of Conservation

1990-91 Williamson Act Status Report

March 1992



State of California Pete Wilson Governor



Resources Agency Douglas P. Wheeler, Secretary

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Dear Reader:

California is in the midst of a population boom. Having recently surpassed 30 million residents, the State is now expanding by 500,000 people annually. Over twenty-five years ago the California Legislature responded to another surge of rapid population growth when the California Land Conservation Act was passed. Better known as the Williamson Act, sponsored by Assemblyman John Williamson, this law established California's only statewide agricultural and open space land protection program. Under the Act, farmers and ranchers in 48 counties have agreed to commit their lands to agricultural or open space uses by signing long-term contracts. These contracts offer farmers and ranchers protection from taxes based on the value of their lands for urban uses, often providing the financial margin needed to keep their lands in agricultural production.

The 1990-91 Annual Status Report on the Williamson Act describes the program's current performance. To date, nearly 16 million of California's 30 million acres of farm and ranch land, including more than half of the State's prime farmland, and millions of acres of sensitive watershed lands are protected by the Act from urban development. The counties with the highest levels of acreage under contract are also the State's most important agricultural counties -- Kern, Fresno, and Tulare. However, the Report indicates that the pressures of urbanization may be exacting a toll. Since 1988, contracted acreage has declined each year for a three-year loss of approximately three percent statewide. In addition, a number of agriculturally important urbanizing counties have reported dramatic increases in the number of contracts beginning the nine-year nonrenewal process. Thus, the need for conservation remains every bit as relevant as it was when the Act was passed.

Governor Pete Wilson has demonstrated his support of the Williamson Act by once again proposing funding for the Williamson Act's Open-Space Subvention Program in his proposed 1992-93 Budget. Consistent with the Governor's support, I shall do all that is possible to advance the agricultural conservancy measures important to this Administration.

I trust that you will find this Report interesting and informative. I encourage you to contact the Department's Office of Land Conservation at (916) 324-0859 if you would like to learn more about the Williamson Act or the Department's other conservation programs.

Sincerely,

Edward G. Heidig

Director

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EXECUTIVE SUMMARY

The California Land Conservation Act of 1965, known as the Williamson Act, was created to protect agricultural and open space land from urban development. Landowners enter into contracts with participating counties and cities and agree to restrict their land to agriculture or open space use for a minimum of ten years. In exchange for this commitment, landowners are granted lower tax assessments which are based on the use value of the land.

This Williamson Act Status Report is mandated by Government Code Section 51207. The purpose of this report is to provide information to the Legislature and general public on the implementation of the Act by the 48 counties and 19 cities participating in the program. Highlights of the 1990-91 Status Report are as follows:

- In 1990-91, over 15.9 million acres of agricultural land and open space half the State's total agricultural land were enrolled in Williamson Act contracts.
- One third (5.7 million acres) of the Williamson Act contracted acreage was prime agricultural land, the remainder was open space, or nonprime, land. About half of the State's prime farmland is under contract.
- A few key agricultural counties, primarily in the San Joaquin Valley and the Central Coast, account for a majority of land under Williamson Act contract.
- Total Williamson Act acreage decreased by about 23,500 acres from the prior fiscal year, a net decline of one-tenth of one percent.

- While nearly 100,000 acres were added to the program, over 123,000 acres came out, primarily by contracts completing the 9-year nonrenewal process.
- Just over 2,000 acres were terminated by immediate contract cancellation.
- Land removed by eminent domain showed a dramatic increase over the previous fiscal year with 27,138 acres reported, an increase of 20,000 acres over the previous year.
- Urban and urbanizing counties led the State in the amount of net losses to the Williamson Act program.
- The largest net increases in acreage enrolled in contracts occurred in the Central Coast Region. San Benito and San Luis Obispo Counties accounted for 47% of the new acres added to the program.
- Most nonrenewal activity (contracts just entering the 9-year contract phaseout process) occurred in the San Joaquin Valley region, with 59,540 acres entering the ten-year nonrenewal process. Stanislaus County accounted for the largest share of acreage beginning nonrenewal, 35,000 acres.
- San Bernardino and Placer Counties had the highest levels of nonrenewal activity as a percentage of their total acreage under contract.

- Total enrollment increased dramatically through the 1970's reaching a plateau by 1980. Acreage under contract gradually increased until 1988. Since 1988, enrolled acreage has declined in each year, for a three-year loss of about 3%.
- Over the past five years, acreage added to the program has been relatively steady, with new acres entering the program at an average of about 110,000 acres per year. However, acres entering the nonrenewal process has dramatically increased from 67,000 to 146,000 in the same period, and now outstrip acreage added by approximately fifty percent.
- Just under 650,000 acres are currently at some stage in the nine-year contract nonrenewal process, representing about 4% of the total land in contract. This number has been increasing over the past five years.
- As a percent of total land under contract, cumulative acres undergoing nonrenewal is highest in suburban or metropolitan counties, led by Orange and Riverside. In the shear number of acres in cumulative nonrenewal, three Central Valley counties, Kern, Stanislaus and Sacramento lead the State.
- Each year, to help reimburse local costs of the program, the State pays
 Open Space Subventions to cities and counties participating in the Williamson Act, based on the quality and number of acres under contract. In 1990-91, cities and counties claimed an estimated \$14.1 million in subventions.

- Several amendments have been made to the Act in recent years, including increased contract cancellation reporting requirements, and the elimination of the contract termination process used by cities as part of annexation.
- Department activities during the year included local assistance on such issues as compatible use of Williamson Act lands, appropriate recreational use of contracted lands, minimum contract parcel size, and validity of contract cancellations. The Department also initiated a series of local training workshops.
- Beginning with this report, an innovative local Williamson Act program will be highlighted each year. This year, the recommendations of the recently completed Yolo County Williamson Act Blue Ribbon Task Force are summarized.

I. INTRODUCTION

The Williamson Act

The California Land Conservation Act, also known as the Williamson Act, has protected agricultural and open space land in the State of California for over 25 years. The Williamson Act is a voluntary, locally administered program. Landowners who enroll their land in 10 to 20-year contracts with local governments receive lower property taxes based on the actual use of the land for agricultural and open space purposes, rather than on its Proposition 13 market value. In addition to the benefit of protecting farmland from urbanization and land speculation driven taxation, the Williamson Act is increasingly used as an effective land use planning tool by local governments.

The State partially supports the local costs of administering the Act, as well as replacing a portion of the foregone local property tax revenue, through the administration of the Open Space Subvention Act, passed in 1971. Annually, participating local governments submit their subvention entitlement applications to the Department of Conservation. State subvention payment is based on the quality and number of acres under Williamson Act contracts in each jurisdiction. (For a full description of the Williamson Act and Open Space Subvention Programs, see Appendix B.)

State Responsibility

The State's role in the implementation process is to provide guidance to local

government, conduct research, disseminate information, and certify and keep records on subvention entitlements. By delegation from the Secretary for Resources, as well as by direct statutory authorization, the Department of Conservation, through its Office of Land Conservation, has primary responsibility for carrying out these functions. (Appendix C lists Departmental research and informational publications available to the public.)

Report Purpose and Contents

This annual report meets the statutory requirement of Government Code Section 51207 to provide information to the Legislature on the status of the Williamson Act. This is the fourth year that this report has been provided under this mandate. In each of the prior three years the report consisted of tabular data with minimal analysis. In 1991, an assessment of the report's information needs was performed for the Department by Dr. Alvin Sokolow, Professor of Political Science, University of California at Davis. Based on his findings and recommendations, this report has now been expanded to include not only the presentation of data, but narrative and graphical analyses of the Program's status and trends.

Specifically, Fiscal Year (FY) 1990-91 data¹ is provided on Williamson Act contract nonrenewal and cancellation activity, contract removal by annexation and eminent domain, and contract acreage additions. Also, analysis of key trends

¹ This report is referred to as the FY 1990-91 annual report. However, the data reported in FY 1990-91 is actually for the period of March 1, 1990 to March 1, 1991.